

LEGISLATURE OF NEBRASKA
NINETY-NINTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 467

Introduced by Byars, 30

Read first time January 13, 2005

Committee: Education

A BILL

1 FOR AN ACT relating to schools; to amend sections 79-728, 79-761,
2 79-809, 79-810, 79-8136, 79-1101, 79-1103, 79-1142,
3 79-1144, and 79-1310, Reissue Revised Statutes of
4 Nebraska, and section 9-812, Revised Statutes Supplement,
5 2004; to adopt the Creating Essential Educational
6 Opportunities for All Students Act; to change provisions
7 relating to allocation of state lottery funds; to create
8 the Beginning Teacher Mentoring and Induction Program; to
9 change provisions relating to kindergarten programs,
10 mentor teacher programs, fees, early childhood education
11 grants, and special education funding; to create a fund;
12 to eliminate the Excellence in Education Council and
13 provisions relating to school technology funding and the
14 School Technology Fund; to harmonize provisions; to
15 repeal the original sections; and to outright repeal
16 section 79-1328, Reissue Revised Statutes of Nebraska.
17 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 9 of this act shall be known
2 and may be cited as the Creating Essential Educational
3 Opportunities for All Students Act.

4 Sec. 2. The Legislature finds:

5 (1) That the goal of the State of Nebraska is that all
6 elementary and secondary school students in Nebraska should have
7 equitable opportunities to obtain an essential education; and

8 (2) An essential education is obtained when students are
9 (a) proficient in meeting the academic content standards set by the
10 State Board of Education pursuant to sections 79-760 to 79-760.02,
11 (b) successful at each educational level and in making transitions
12 between educational levels from early childhood education through
13 postsecondary education or career entry, and (c) effective in
14 functioning in and contributing to our culturally diverse and
15 democratic society.

16 Sec. 3. The Legislature adopts the following principles
17 to meet the goal stated in section 2 of this act:

18 (1) The Legislature and the State Department of Education
19 set the policies and standards for Nebraska schools;

20 (2) Each student in Nebraska should be able to attend
21 school in a school district that provides a curriculum for students
22 in prekindergarten through grade twelve;

23 (3) School districts are political subdivisions created
24 by the Legislature and are accountable to the Legislature and the
25 State Department of Education for reporting their performance;

26 (4) Schools boards are responsible for determining how
27 best to provide integrated, planned curriculum to students in their
28 school districts based upon the standards set by the Legislature

1 and the State Department of Education;

2 (5) Schools are created by school boards as places where
3 instruction occurs, and their existence depends upon their capacity
4 to provide an essential education;

5 (6) School boards must have the authority and resources
6 to provide an essential education to students in a learning
7 environment that is safe, clean, and supportive;

8 (7) Highly qualified teachers and staff are necessary to
9 meet the needs of all students;

10 (8) A comprehensive plan of support programs and services
11 is necessary to meet the needs of the diverse students in the State
12 of Nebraska; and

13 (9) The vast geographic area and the sparse population in
14 some areas of Nebraska require that regional support services be
15 available to assist school districts in achieving the goal stated
16 in section 2 of this act through implementation of policies set by
17 the Legislature and the department.

18 Sec. 4. It is the intent of the Legislature to
19 appropriate one million five hundred thousand dollars annually to
20 the State Department of Education in order to provide the
21 department with the capacity to (1) consult with and provide
22 technical assistance to school districts for essential education,
23 (2) provide technical assistance for low-performing school
24 districts, (3) provide leadership, support, and technical
25 assistance for strategic initiatives to address students who are
26 English language learners and students challenged by poverty,
27 mobility impairments, and other special needs, (4) provide training
28 and technical assistance to regional entities described in section

1 5 of this act, and (5) provide mentoring for new principals,
2 superintendents, and school board members.

3 Sec. 5. The State Department of Education may contract
4 with regional entities, including, but not limited to, educational
5 service units and postsecondary educational institutions, to
6 provide regional support services to school districts in the
7 implementation of standards, assessments, and school improvement.
8 It is the intent of the Legislature to appropriate five million
9 dollars annually to the department to carry out this section.

10 Sec. 6. The State Department of Education shall
11 establish a program of grants to assist school districts identified
12 by the department as low-performing districts. School districts
13 may apply to the department on or before February 1 of each year
14 beginning with school year 2005-06 to receive funding to address
15 areas of low performance. An application by a school district
16 shall identify (1) specific weaknesses in its assessment system or
17 student performance and the identification of proven strategies to
18 improve any identified weaknesses, (2) training needed for teachers
19 or administrators to improve assessments or student performance,
20 (3) consultants or experts needed to assist with improving
21 assessments or student performance, and (4) the use of other school
22 districts, educational service units, or postsecondary educational
23 institutions to assist with improving assessments or student
24 performance. The State Board of Education shall set priorities for
25 the awarding of grants on or before February 1 of each year. The
26 department shall notify each successful applicant by March 1 of
27 each year of the award of a grant and the amount. It is the intent
28 of the Legislature to appropriate one million dollars annually to

1 the department to carry out this section.

2 Sec. 7. (1) The Highly Qualified Teacher Program is
3 created. The purpose of the program is to provide each Nebraska
4 child with a highly qualified teacher as determined by the State
5 Board of Education. The State Department of Education shall
6 administer the program.

7 (2) Any teacher who is regularly employed by a school
8 district, educational service unit, or school operated by the State
9 of Nebraska may qualify for reimbursement for tuition and mandatory
10 fees paid and the cost of required textbooks purchased for
11 coursework leading to college credit earned after September 1,
12 2005, at any standard institution of higher education, as defined
13 in section 79-807, in Nebraska. The maximum tuition reimbursement
14 shall not exceed the highest per-credit-hour tuition charged by a
15 Nebraska public postsecondary educational institution. The
16 reimbursement shall be limited to expenditures listed in this
17 subsection for coursework to (a) prepare the teacher to develop
18 assessments under section 79-760, (b) obtain an endorsement in the
19 area of teaching to which the teacher is assigned, (c) obtain
20 additional college credits in the area of teaching to which the
21 teacher is assigned, and (d) obtain an additional endorsement.

22 (3) After completion of nine credit hours of coursework,
23 a teacher may submit a request for reimbursement to the department
24 which shall include, but not be limited to, a transcript of
25 coursework completed, a statement of tuition and any mandatory fees
26 paid by the teacher, and the cost of required textbooks purchased.
27 Any teacher who receives reimbursement under the program shall
28 agree in writing to continue teaching in Nebraska in a school

1 district, educational service unit, or school operated by the State
2 of Nebraska for a period of one year for each nine credit hours for
3 which reimbursement is provided. Any reimbursement received by a
4 teacher shall not be subject to state withholding or income tax.

5 (4) If a teacher fails to continue teaching as required
6 in subsection (3) of this section, the teacher shall repay to the
7 department any reimbursement received plus interest at the rate
8 fixed pursuant to section 45-103.

9 Sec. 8. (1) On or before September 30, 2006, and on or
10 before September 30 of each school year thereafter, every
11 certificated teacher employed by a school district, educational
12 service unit, or state-operated school offering educational
13 programs in elementary or high school grades may elect to extend
14 his or her standard teaching contract for up to three additional
15 days each year for the purpose of allowing the teacher to perform
16 work associated with standards, assessment, accountability, and
17 school improvement.

18 (2) The school board, educational service unit board, or
19 governing authority of any state-operated school shall determine
20 how teachers employed by the board or governing authority may use
21 extended contract days for the purpose of allowing the teacher to
22 perform work associated with standards, assessment, accountability,
23 and school improvement. The school board, educational service unit
24 board, or governing authority of the state-operated school shall
25 report to the State Department of Education on or before October 31
26 of each year the number of teachers electing to extend their
27 contracts and the amount of funding needed pursuant to subsection
28 (3) of this section. If sufficient funding has not been provided

1 by the Legislature, the department shall submit a deficit
2 appropriation request to the Legislature to provide additional
3 funding to meet the requests of school districts, educational
4 service units, or the governing authority of any state-operated
5 school.

6 (3) A teacher electing to extend his or her standard
7 teaching contract as provided in this section shall be compensated
8 at a per diem rate of pay calculated by dividing his or her
9 standard teaching salary by one hundred eighty-five and multiplying
10 that amount by the number of extended contract days the teacher
11 elects, not to exceed three. The teacher shall receive
12 compensation in a lump sum for the extended contract days as soon
13 as the district, educational service unit, or state-operated school
14 receives funds from the department for such purpose.

15 (4) Implementation of this section shall be a negotiable
16 term or condition of employment pursuant to the Industrial
17 Relations Act and the State Employees Collective Bargaining Act.

18 Sec. 9. The department may adopt and promulgate rules
19 and regulations to carry out the Creating Essential Educational
20 Opportunities for All Students Act.

21 Sec. 10. Section 9-812, Revised Statutes Supplement,
22 2004, is amended to read:

23 9-812. (1) All money received from the operation of
24 lottery games conducted pursuant to the State Lottery Act in
25 Nebraska shall be credited to the State Lottery Operation Trust
26 Fund, which fund is hereby created. All payments of expenses of
27 the operation of the lottery games shall be made from the State
28 Lottery Operation Cash Fund. In accordance with legislative

1 appropriations, money for payments for expenses of the division
2 shall be transferred from the State Lottery Operation Trust Fund to
3 the State Lottery Operation Cash Fund, which fund is hereby
4 created. All money necessary for the payment of lottery prizes
5 shall be transferred from the State Lottery Operation Trust Fund to
6 the State Lottery Prize Trust Fund, which fund is hereby created.
7 The amount used for the payment of lottery prizes shall not be less
8 than forty percent of the dollar amount of the lottery tickets
9 which have been sold. ~~The State Treasurer shall transfer five~~
10 ~~million dollars from the State Lottery Operation Trust Fund to the~~
11 ~~General Fund within fifteen days after July 1, 2004. Until October~~
12 ~~1, 2003, at least twenty-five percent and beginning October 1,~~
13 ~~2003, and until January 1, 2008~~ Prior to July 1, 2006, a portion of
14 the dollar amount of the lottery tickets which have been sold on an
15 annualized basis shall be transferred from the State Lottery
16 Operation Trust Fund to the Education Innovation Fund, the Nebraska
17 Scholarship Fund, the Nebraska Environmental Trust Fund, and the
18 Compulsive Gamblers Assistance Fund, except that the dollar amount
19 transferred shall not be less than the dollar amount transferred to
20 the funds in fiscal year 2002-03. On and after ~~January 1, 2008~~
21 July 1, 2006, at least twenty-five percent of the dollar amount of
22 the lottery tickets which have been sold on an annualized basis
23 shall be transferred from the State Lottery Operation Trust Fund to
24 the Education Innovation Fund, the Nebraska Scholarship Fund, the
25 Nebraska Environmental Trust Fund, and the Compulsive Gamblers
26 Assistance Fund. Of the money available to be transferred to the
27 Education Innovation Fund, the Nebraska Scholarship Fund, the
28 Nebraska Environmental Trust Fund, and the Compulsive Gamblers

1 Assistance Fund, the first five hundred thousand dollars shall be
2 transferred to the Compulsive Gamblers Assistance Fund to be used
3 as provided in section 71-817. Twenty-four and three-fourths
4 percent of the money remaining after the payment of prizes and
5 operating expenses and the initial transfer to the Compulsive
6 Gamblers Assistance Fund shall be transferred to the Education
7 Innovation Fund. Twenty-four and three-fourths percent of the
8 money remaining after the payment of prizes and operating expenses
9 and the initial transfer to the Compulsive Gamblers Assistance Fund
10 shall be transferred to the Nebraska Scholarship Fund. Forty-nine
11 and one-half percent of the money remaining after the payment of
12 prizes and operating expenses and the initial transfer to the
13 Compulsive Gamblers Assistance Fund shall be transferred to the
14 Nebraska Environmental Trust Fund to be used as provided in the
15 Nebraska Environmental Trust Act. One percent of the money
16 remaining after the payment of prizes and operating expenses and
17 the initial transfer to the Compulsive Gamblers Assistance Fund
18 shall be transferred to the Compulsive Gamblers Assistance Fund to
19 be used as provided in section 71-817.

20 (2) The Education Innovation Fund is hereby created. At
21 least seventy-five percent of the lottery proceeds allocated to the
22 Education Innovation Fund shall be available for disbursement. For
23 each fiscal year ~~except fiscal years 2003-04, 2004-05, 2005-06, and~~
24 ~~2006-07~~ after FY2005-06, the Education Innovation Fund shall be
25 allocated in the following manner: Up to twenty percent to fund
26 the mentor teacher program pursuant to the Quality Education
27 Accountability Act, up to forty percent to the Attracting
28 Excellence to Teaching Program Cash Fund to fund the Attracting

1 ~~Excellence to Teaching Program Act, and up to forty percent of the~~
2 ~~fund shall be allocated by the Governor. For fiscal years 2003-04~~
3 ~~and 2004-05, the Education Innovation Fund shall be allocated to~~
4 ~~the General Fund after operating expenses for the Excellence in~~
5 ~~Education Council are deducted. For fiscal years 2005-06 and~~
6 ~~2006-07, the Education Innovation Fund shall be allocated as~~
7 ~~follows: The to the Beginning Teacher Mentoring and Induction~~
8 ~~Program described in section 79-761, except that for FY2005-06 and~~
9 ~~FY2006-07, the first one million dollars each fiscal year allocated~~
10 ~~to the Education Innovation Fund shall be transferred to the School~~
11 ~~District Reorganization Fund. , and the remaining amount shall be~~
12 ~~allocated to the General Fund after operating expenses for the~~
13 ~~Excellence in Education Council are deducted.~~

14 At the direction of the budget administrator of the
15 Department of Administrative Services, the State Treasurer shall
16 transfer available unobligated balances existing in the Education
17 Innovation Fund to the General Fund on or before July 15, 2005, in
18 such amounts as determined by the budget administrator, to include:
19 Any unobligated money remaining as of June 30, 2004, and June 30,
20 2005, in the Education Innovation Fund, appropriated for the
21 Excellence in Education Council, investment income credited to the
22 fund; and unobligated grant fund money returned to the state for
23 credit to the Education Innovation Fund.

24 Allocations by the Governor shall be through incentive
25 grants to encourage the development of strategic school improvement
26 plans by school districts for accomplishing high performance
27 learning and to encourage schools to establish innovations in
28 programs or practices that result in restructuring of school

1 organization, school management, and instructional programs which
2 bring about improvement in the quality of education. Such
3 incentive grants allocated by the Governor are intended to provide
4 selected school districts, teachers or groups of teachers,
5 nonprofit educational organizations, educational service units, or
6 cooperatives funding for the allowable costs of implementing pilot
7 projects and model programs.

8 From the funds allocated by the Governor, minigrants
9 shall be available to school districts to support the development
10 of strategic school improvement plans which shall include
11 statements of purposes and goals for the districts. The plans
12 shall also include the specific statements of improvement or
13 strategic initiatives designed to improve quality learning for
14 every student.

15 In addition to the minigrants granted for the development
16 of strategic school improvement plans, school districts with annual
17 budget expenditures of three hundred fifty thousand dollars or less
18 are eligible for minigrants from the funds allocated by the
19 Governor for the purposes allowed in subdivisions (2)(a) through
20 (g) of this section. The amount of this type of minigrant shall
21 not exceed five thousand dollars. The school district shall
22 present a curriculum support plan with its application for the
23 grant. The curriculum support plan must show how the district is
24 working to achieve one or more of the allowed purposes and how the
25 grant will be used to directly advance the plan to achieve one or
26 more of these purposes. The plan must be signed by the school
27 administrator and a school board representative. The application
28 for the grant shall be brief. The Excellence in Education Council

1 shall select the recipients of this type of minigrant and shall
2 administer such minigrants.

3 From the funds allocated by the Governor, major
4 competitive grants shall be available to support innovative
5 programs which are directly related to the strategic school
6 improvement plans. The development of a strategic school
7 improvement plan by a school district shall be required before a
8 grant is awarded. Annual reports shall be made by program
9 recipients documenting the effectiveness of the program in
10 improving the quality of education as designed in the strategic
11 school improvement plans. Special consideration shall be given to
12 plans which contain public or private matching funds and
13 cooperative agreements, including agreements for in-kind services.
14 Purposes for which such major competitive grants would be offered
15 shall include:

16 (a) Professional staff development programs to provide
17 funds for teacher and administrator training and continuing
18 education to upgrade teaching and administrative skills,

19 (b) The development of strategic school improvement plans
20 by school districts,

21 (c) Educational technology assistance to public schools
22 for the purchase and operation of computers, telecommunications
23 equipment and services, and other forms of technological innovation
24 which may enhance classroom teaching, instructional management, and
25 districtwide administration. Telecommunications equipment,
26 services, and forms of technical innovation shall be approved only
27 after review by the technical panel created in section 86-521,

28 (d) An educational accountability program to develop an

1 educational indicators system to measure the performance and
2 outcomes of public schools and to ensure efficiency in operations,

3 (e) Alternative programs for students, including
4 underrepresented groups, at-risk students, and dropouts,

5 (f) Programs that demonstrate improvement of student
6 performance against valid national and international achievement
7 standards,

8 (g) Early childhood and parent education which emphasizes
9 child development,

10 (h) Programs using decisionmaking models that increase
11 involvement of parents, teachers, and students in school
12 management,

13 (i) Increased involvement of the community in order to
14 achieve increased confidence in and satisfaction with its schools,

15 (j) Development of magnet or model programs designed to
16 facilitate desegregation,

17 (k) Programs that address family and social issues
18 impairing the learning productivity of students,

19 (l) Programs enhancing critical and higher-order thinking
20 capabilities,

21 (m) Programs which produce the quality of education
22 necessary to guarantee a competitive work force,

23 (n) Programs designed to increase productivity of staff
24 and students through innovative use of time,

25 (o) Training programs designed to benefit teachers at all
26 levels of education by increasing their ability to work with
27 educational technology in the classroom,

28 (p) Approved accelerated or differentiated curriculum

1 programs under sections 79-1106 to 79-1108.03, and

2 (q) Programs for children from birth to age twenty-one
3 years with disabilities receiving special education under the
4 Special Education Act and children from birth to age twenty-one
5 years needing support services as defined in section 79-1125.01,
6 which programs demonstrate improved outcomes for children from
7 birth to age twenty-one years through emphasis on prevention and
8 collaborative planning.

9 The Governor shall establish the Excellence in Education
10 Council. The Governor shall appoint eleven members to the council
11 including representatives of educational organizations,
12 postsecondary educational institutions, the business community, and
13 the general public, members of school boards and parent education
14 associations, school administrators, and at least four teachers who
15 are engaged in classroom teaching. The State Department of
16 Education shall provide staff support for the council to administer
17 the Education Innovation Fund, including the Quality Education
18 Accountability Act. The council shall have the following powers
19 and duties:

20 (i) In consultation with the department, develop and
21 publish criteria for the awarding of incentive grants allocated by
22 the Governor for programs pursuant to this subsection, including
23 minigrants,

24 (ii) Provide recommendations to the Governor regarding
25 the selection of projects to be funded and the distribution and
26 duration of project funding,

27 (iii) Establish standards, formats, procedures, and
28 timelines for the successful implementation of approved programs

1 funded by incentive grants allocated by the Governor from the
2 Education Innovation Fund,

3 ~~(iv) Assist school districts in determining the~~
4 ~~effectiveness of the innovations in programs and practices and~~
5 ~~measure the subsequent degree of improvement in the quality of~~
6 ~~education,~~

7 ~~(v) Consider the reasonable distribution of funds across~~
8 ~~the state and all classes of school districts,~~

9 ~~(vi) Carry out its duties pursuant to the Quality~~
10 ~~Education Accountability Act, and~~

11 ~~(vii) Provide annual reports to the Governor concerning~~
12 ~~programs funded by the fund. Each report shall include the number~~
13 ~~of applicants and approved applicants, an overview of the various~~
14 ~~programs, objectives, and anticipated outcomes, and detailed~~
15 ~~reports of the cost of each program.~~

16 To assist the council in carrying out its duties, the
17 State Board of Education shall, in consultation with the council,
18 adopt and promulgate rules and regulations establishing criteria,
19 standards, and procedures regarding the selection and
20 administration of programs funded from the Education Innovation
21 Fund, including the Quality Education Accountability Act.

22 ~~(3) Recipients of incentive grants allocated by the~~
23 ~~Governor from the Education Innovation Fund shall be required to~~
24 ~~provide, upon request, such data relating to the funded programs~~
25 ~~and initiatives as the Governor deems necessary.~~

26 ~~(4)~~ (3) Any money in the State Lottery Operation Trust
27 Fund, the State Lottery Operation Cash Fund, the State Lottery
28 Prize Trust Fund, or the Education Innovation Fund available for

1 investment shall be invested by the state investment officer
2 pursuant to the Nebraska Capital Expansion Act and the Nebraska
3 State Funds Investment Act.

4 ~~(5)~~ (4) Unclaimed prize money on a winning lottery ticket
5 shall be retained for a period of time prescribed by rules and
6 regulations. If no claim is made within such period, the prize
7 money shall be used at the discretion of the Tax Commissioner for
8 any of the purposes prescribed in this section.

9 Sec. 11. Section 79-728, Reissue Revised Statutes of
10 Nebraska, is amended to read:

11 79-728. All Class I, II, III, IV, and V school
12 districts, shall offer a kindergarten program.

13 Not later than the beginning of school year 2010-11, all
14 school districts maintaining elementary grades shall offer a
15 full-day kindergarten program.

16 Sec. 12. Section 79-761, Reissue Revised Statutes of
17 Nebraska, is amended to read:

18 79-761. (1) The Beginning Teacher Mentoring and
19 Induction Program is created to promote excellence in teaching,
20 enhance student achievement, and increase the retention of
21 beginning teachers who are in their first three years of teaching.

22 (2) Beginning with school year 2006-07, each school
23 district shall require that all beginning teachers participate in
24 the program.

25 (3) A school district shall receive funding from the
26 program if the school board applies to the State Department of
27 Education in the manner prescribed by the department by August 1
28 for the following school year and meets the requirements set by the

1 State Board of Education. Payments made pursuant to the program
2 shall be included as part of the formula need calculation pursuant
3 to section 79-1007.02 beginning with school fiscal year 2010-11.

4 (4) Funds received by a school district pursuant to the
5 program shall be used to pay (a) five hundred dollars per semester
6 to each mentor provided under subsection (5) of this section who
7 fully participates in the program, (b) for training of mentors and
8 administrators to implement the program, the evaluation process,
9 and the criteria upon which the beginning teacher shall be
10 evaluated, and (c) for provision of professional development to
11 beginning teachers by educational service units or standard
12 institutions of higher education as defined in section 79-807.

13 (5) The State Board of Education shall ~~develop~~ guidelines
14 for mentor teacher programs in local systems establish criteria and
15 standards for the program in order to provide ongoing support for
16 individuals entering the teaching profession. Funding for ~~mentor~~
17 teacher programs the program shall be provided to local systems
18 school districts which provide each ~~first-year~~ beginning teacher in
19 the local system with a mentor. The ~~mentor teacher programs~~
20 program shall be funded by the Education Innovation Fund pursuant
21 to subsection (2) of section 9-812. and shall identify criteria
22 for selecting excellent, experienced, and qualified teachers to be
23 participants. The state board shall report to the Legislature on
24 or before December 1, 1998, on its progress in implementing this
25 section.

26 Sec. 13. Section 79-809, Reissue Revised Statutes of
27 Nebraska, is amended to read:

28 79-809. In addition to the requirements in section

1 79-808, the maximum which the board may require for the issuance of
2 any entry-level certificate or permit shall be that the applicant
3 (1) has a baccalaureate degree that qualifies for a certificate to
4 teach, (2) has satisfactorily completed, within two years of the
5 date of application, an approved program at a standard institution
6 of higher education, (3) has satisfactorily demonstrated basic
7 skills competency, (4) has special education training, (5) has
8 earned college credit in an approved program, at a standard
9 institution of higher education, for which endorsement is sought,
10 and (6) has paid a nonrefundable fee to the department of up to
11 ~~forty-five~~ fifty-five dollars for issuance of a certificate or
12 permit valid in all schools or up to ~~thirty~~ forty dollars for
13 issuance of a certificate or permit valid only in nonpublic
14 schools.

15 Sec. 14. Section 79-810, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 79-810. (1) Certificates and permits shall be issued by
18 the commissioner upon application on forms prescribed and provided
19 by him or her which shall include the applicant's social security
20 number.

21 (2) Each certificate or permit issued by the commissioner
22 shall indicate the area of authorization to teach, provide special
23 services, or administer and any areas of endorsement for which the
24 holder qualifies. During the term of any certificate or permit
25 issued by the commissioner, additional endorsements may be made on
26 the certificate or permit if the holder submits an application,
27 meets the requirements for issuance of the additional endorsements,
28 and pays a nonrefundable fee of thirty dollars.

1 (3) The Certification Fund is created. Any fee received
2 by the department under sections 79-806 to 79-815 shall be remitted
3 to the State Treasurer for credit to the fund. The fund shall be
4 used by the department in paying the costs of certifying educators
5 pursuant to such sections and to carry out subsection (3) of
6 section 79-808, except that thirteen dollars of the
7 ~~forty-five-dollar~~ fifty-five-dollar fee specified in subdivision
8 (6) of section 79-809 for certificates or permits valid in all
9 schools shall be credited to the Professional Practices Commission
10 Fund which is created for use by the department to pay for the
11 provisions of sections 79-859 to 79-871. Any money in the
12 Certification Fund or the Professional Practices Commission Fund
13 available for investment shall be invested by the state investment
14 officer pursuant to the Nebraska Capital Expansion Act and the
15 Nebraska State Funds Investment Act. ~~The State Treasurer shall~~
16 ~~transfer any money in the Teachers' Certification Fund on May 27,~~
17 ~~2003, to the Certification Fund on such date.~~

18 Sec. 15. Section 79-8,136, Reissue Revised Statutes of
19 Nebraska, is amended to read:

20 79-8,136. The Attracting Excellence to Teaching Program
21 Cash Fund is created. The fund shall consist of appropriations by
22 the Legislature, ~~transfers pursuant to section 9-812,~~ and loan
23 repayments, penalties, and interest payments received in the course
24 of administering the Attracting Excellence to Teaching Program.
25 The department shall allocate on an annual basis the funds to be
26 distributed for the program to all eligible institutions according
27 to the distribution formula as determined by rule and regulation.
28 ~~except that the State Treasurer shall transfer the cash balance~~

1 ~~existing on November 9, 2001, in the fund to the General Fund~~
2 ~~within five days after November 9, 2001.~~ The eligible institutions
3 shall act as agents of the department in the distribution of the
4 funds to eligible students. Any money in the Attracting Excellence
5 to Teaching Program Cash Fund available for investment shall be
6 invested by the state investment officer pursuant to the Nebraska
7 Capital Expansion Act and the Nebraska State Funds Investment Act.

8 Sec. 16. Section 79-1101, Reissue Revised Statutes of
9 Nebraska, is amended to read:

10 79-1101. (1) The Legislature finds and declares that:
11 (a) Early childhood education programs can assist children in
12 achieving their potential as citizens, workers, and human beings
13 and can strengthen families; (b) early childhood education has been
14 proven to be a sound public investment of funds not only in
15 assuring productive, taxpaying workers in the economy but also in
16 avoidance of increasingly expensive social costs for those who drop
17 out as productive members of society; (c) the key ingredient in an
18 effective early childhood education program is a strong family
19 development and support component because the role of the parent is
20 of critical importance; (d) while all children can benefit from
21 quality, developmentally appropriate early childhood education
22 experiences, such experiences are especially important for at-risk
23 infants and children; (e) current early childhood education
24 programs serve only a fraction of Nebraska's children and the
25 quality of current programs varies widely; (f) well-designed early
26 childhood education programs increase the likelihood that children
27 who participate will enter school prepared to achieve high
28 standards; (g) effective early childhood education programs require

1 staff with knowledge about child growth, development, and learning
2 and family systems; and (h) both public and nonpublic programs
3 which meet recognized standards of quality can address the growth,
4 development, and learning needs of young children.

5 (2) It is the intent of the Legislature and the public
6 policy of this state to encourage schools and community-based
7 organizations to work together to provide high-quality early
8 childhood education programs for infants and young children which
9 include family involvement. In addition, it is the intent of the
10 Legislature that by September 1, 2010, all at-risk children four
11 years of age or older will be able to enroll in early childhood
12 education programs and that school districts that have received
13 grant funding for early childhood education programs pursuant to
14 section 79-1103 for three consecutive years shall have the programs
15 included as part of the formula need calculation pursuant to
16 section 79-1007.02 beginning with school fiscal year 2010-11. The
17 purposes of sections 79-1101 to 79-1104 are to provide increased
18 state assistance to ~~selected~~ school districts, cooperatives of
19 school districts, and educational service units for early childhood
20 education, to encourage coordination between public and private
21 service providers of early childhood education and child care
22 programs, and to provide state support for efforts to improve
23 training opportunities for staff in such programs.

24 (3) For purposes of sections 79-1101 to 79-1104, early
25 childhood education program means any prekindergarten part-day or
26 full-day program with a stated purpose of promoting social,
27 emotional, intellectual, language, physical, and aesthetic
28 development and learning for children from birth to

1 kindergarten-entrance age and family development and support.

2 Sec. 17. Section 79-1103, Reissue Revised Statutes of
3 Nebraska, is amended to read:

4 79-1103. (1) The State Department of Education shall
5 establish and administer the Early Childhood Education Grant
6 Program. The department shall request proposals for early
7 childhood education programs from local school districts,
8 cooperatives of school districts, and educational service units
9 working in cooperation with existing nonpublic programs which meet
10 the requirements of subsection (2) of section 79-1104. Each
11 program selected may be provided a grant of up to one-half of the
12 total budget of the program per year. Pilot projects previously
13 funded under this section as it existed immediately before
14 September 1, 2001, and Even Start family literacy programs which
15 exhaust their eligibility for Even Start funds shall be eligible
16 for grant awards if their continuation plans meet the requirements
17 of subsection (2) of this section. Programs selected for grant
18 awards may receive continuation grants subject to the availability
19 of funding and the submission of a continuation plan which meets
20 the requirements of such subsection.

21 (2) Each program proposal which is accepted by the
22 department shall include (a) a planning period, (b) an agreement to
23 participate in periodic evaluations of the program to be specified
24 by the department, (c) evidence that the program will be
25 coordinated or contracted with existing programs, including those
26 listed in subdivision (d) of this subsection and nonpublic programs
27 which meet the requirements of subsection (2) of section 79-1104,
28 (d) a plan to coordinate and use a combination of local, state, and

1 federal funding sources, including, but not limited to, programs
2 for children with disabilities below five years of age funded
3 through the Special Education Act, the Early Intervention Act,
4 funds available through the flexible funding provisions under the
5 Special Education Act, the federal Head Start program, 42 U.S.C.
6 9831 et seq., the federal Even Start Family Literacy Program, 20
7 U.S.C. 6361 et seq., Title I of the federal Improving America's
8 Schools Act of 1994, 20 U.S.C. 6301 et seq., and child care
9 assistance through the Department of Health and Human Services, (e)
10 a plan to use sliding fee scales and the funding sources included
11 in subdivision (d) of this subsection to maximize the participation
12 of economically and categorically diverse groups and to ensure that
13 participating children and families have access to comprehensive
14 services, (f) the establishment of an advisory body which includes
15 families and community members, (g) the utilization of
16 appropriately qualified staff, (h) an appropriate child-to-staff
17 ratio, (i) appropriate group size, (j) compliance with minimum
18 health and safety standards, (k) appropriate facility size and
19 equipment, (l) a strong family development and support component
20 recognizing the central role of parents in their children's
21 development, (m) developmentally and culturally appropriate
22 curriculum, practices, and assessment, (n) sensitivity to the
23 economic and logistical needs and circumstances of families in the
24 provision of services, (o) integration of children of diverse
25 social and economic characteristics, (p) a sound evaluation
26 component, including at least one objective measure of child
27 performance and progress, (q) continuity with programs in
28 kindergarten and elementary grades, (r) well-defined language

1 development and early literacy emphasis, including the involvement
2 of parents in family literacy activities, (s) a plan for ongoing
3 professional development of staff, and (t) inclusion of children
4 with disabilities as defined in the Special Education Act, all as
5 specified by rules and regulations of the department in accordance
6 with sound early childhood educational practice.

7 (3) The department shall make an effort to fund programs
8 widely distributed across the state in both rural and urban areas.

9 (4) A report evaluating the programs shall be made to the
10 State Board of Education and the Legislature by January 1 of each
11 odd-numbered year. Up to five percent of the total appropriation
12 for the Early Childhood Education Grant Program may be reserved by
13 the department for evaluation and technical assistance for the
14 programs.

15 (5) Programs selected for funding may be awarded
16 continuation funding on the submission of a continuation plan
17 demonstrating that the program will continue to meet the
18 requirements of subsection (2) of this section.

19 (6) The board shall adopt and promulgate rules and
20 regulations to implement the Early Childhood Education Grant
21 Program.

22 (7) Beginning with school year 2005-06, it is the intent
23 of the Legislature to appropriate an additional fifteen million
24 dollars annually to the department in order to expand the
25 availability of early childhood education programs to meet the
26 needs of at-risk children who are four years of age or older but
27 younger than school age.

28 Sec. 18. Section 79-1142, Reissue Revised Statutes of

1 Nebraska, is amended to read:

2 79-1142. (1) Level I services refers to services
3 provided to children with disabilities who require an aggregate of
4 not more than three hours per week of special education services
5 and support services and includes all administrative, diagnostic,
6 consultative, and vocational-adjustment counselor services.
7 Support services means preventive services for children from birth
8 to age twenty-one years and, if the child's twenty-first birthday
9 occurs during the school year, until the end of that school year,
10 not identified or verified as having a disability pursuant to
11 sections 79-1118.01 and 79-1138 but who demonstrate a need for
12 specially designed assistance in order to benefit from the school's
13 general education curriculum. The total allowable reimbursable
14 cost for support services shall not exceed a percentage,
15 established by the State Board of Education, of the school
16 district's or approved cooperative's total allowable reimbursable
17 cost for all special education programs and support services. The
18 percentage established by the State Board of Education for support
19 services shall not exceed ten percent.

20 (2) For special education and support services provided
21 in each school fiscal year, the State Department of Education shall
22 reimburse each school district in the following school fiscal year
23 a pro rata amount determined by the department from appropriations
24 for special education approved by the Legislature and based on
25 allowable excess costs for all special education programs and
26 support services.

27 (3) (a) The High Cost Fund is created for the purpose of
28 assisting school districts in addressing the needs of high-need

1 school-age students with disabilities. The fund shall consist of a
2 portion of the money, as determined by the department, appropriated
3 for special education by the Legislature. A school district may
4 apply to be reimbursed from the High Cost Fund, at a pro rata
5 amount determined by the department, in the year the cost is
6 incurred, for the cost of providing special education and related
7 services to high-need school-age students with disabilities. Any
8 money in the High Cost Fund not expended in each fiscal year shall
9 be allocated to school districts through the special education
10 reimbursement process pursuant to subsection (2) of this section.
11 Each fiscal year the department shall establish a schedule for
12 reimbursements from the fund to eligible school districts. Any
13 costs reimbursed from the fund in the year incurred shall not be
14 eligible for reimbursement the following year. Any money in the
15 fund available for investment shall be invested by the state
16 investment officer pursuant to the Nebraska Capital Expansion Act
17 and the Nebraska State Funds Investment Act.

18 (b) A school district shall submit an application on
19 forms prescribed by the department for reimbursement from the High
20 Cost Fund which (i) addresses the financial impact a student with a
21 disability has on the budget of the school district, (ii) ensures
22 that the cost of the high-need school-age student with a disability
23 is greater than three times the average per pupil expenditure in
24 the state, and (iii) meets the eligibility criteria established by
25 the department for reimbursement from the fund, including, but not
26 limited to, the number and percentage of high-need school-age
27 students with disabilities served by the school district.

28 (4) Cooperatives of school districts or educational

1 service units shall also be eligible for reimbursement for
2 cooperative programs pursuant to this section if such cooperatives
3 or educational service units have complied with the reporting and
4 approval requirements of section 79-1155 for cooperative programs
5 which were offered the preceding year. The payments shall be made
6 by the department to the school district of residence, cooperative
7 of school districts, or educational service unit each year in a
8 minimum of seven payments between the fifth and twentieth day of
9 each month beginning in December. Additional payments may be made
10 based upon additional valid claims submitted. The State Treasurer
11 shall, between the fifth and twentieth day of each month, notify
12 the Director of Administrative Services of the amount of funds
13 available in the General Fund for payment purposes. The director
14 shall, upon receiving such certification, draw warrants against
15 funds appropriated.

16 (5) The department shall contract annually with one or
17 more school districts or educational service units or with a public
18 institution of city, county, or state government to provide
19 regional and statewide educational and support services for
20 students who are deaf or hard of hearing.

21 Sec. 19. Section 79-1144, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 79-1144. Funds shall be appropriated by the Legislature
24 to carry out sections 79-1142 to 79-1144 and 79-1147, and funds
25 previously included in programs 401 and 402 of the budget of the
26 State Department of Education shall be added to funds appropriated
27 pursuant to this section in an amount not less than the amount
28 appropriated to the department pursuant to this section for

1 FY2003-04. The department is authorized to expend a portion of
2 such funds for contracting pursuant to subsection (5) of section
3 79-1142 and pursuant to section 79-11,109. Such funds shall be
4 ~~channeled through the State Department of Education.~~ The
5 department is authorized to expend such funds upon proper vouchers
6 approved by the department and warrants issued by the Director of
7 Administrative Services for financial reimbursement to school
8 districts, educational service units, special education
9 cooperatives created by school districts, agencies, and parents or
10 guardians, including (1) reimbursement pursuant to section 79-1129
11 for actual transportation expenses per year for children with
12 disabilities a pro rata amount which shall be determined by the
13 State Board of Education from appropriations for special education
14 approved by the Legislature based on all actual allowable
15 transportation costs, (2) reimbursement for instructional aids and
16 consultative, supervisory, research, and testing services to school
17 districts, and (3) reimbursement for salaries, wages, maintenance,
18 supplies, travel, and other expenses essential to carrying out the
19 provisions for special education programs. Minor building
20 modifications shall not be eligible for state reimbursement as an
21 allowable expense. Applications for state reimbursement for actual
22 transportation expenses shall be submitted to the department
23 annually on a date and on forms prescribed by the department.
24 Amendments to applications for actual transportation expenses shall
25 be submitted on dates prescribed by the department during the
26 school year in which the original application was made.

27 Sec. 20. Section 79-1310, Reissue Revised Statutes of
28 Nebraska, is amended to read:

1 79-1310. (1) The School Technology Fund is created. The
2 fund shall consist of the money transferred to the fund pursuant to
3 section 81-1634, appropriations made by the Legislature pursuant to
4 subsection (3) of this section beginning in FY2005-06, and
5 appropriations made by the Legislature. ~~which are received as~~
6 ~~gifts or grants. For award applications received on or before July~~
7 ~~31, 2002, the~~ The State Board of Education shall authorize
8 disbursement of the fund for reimbursement requests for projects
9 started on or after July 1, 2005, as provided in this section. Any
10 money in the School Technology Fund available for investment shall
11 be invested by the state investment officer pursuant to the
12 Nebraska Capital Expansion Act and the Nebraska State Funds
13 Investment Act. ~~completed on or before July 31, 2002, if the~~
14 ~~request is received (1) on or before the tenth day following May~~
15 ~~29, 2003, or (2) on or before the ninetieth day following receipt~~
16 ~~of the award application by the State Department of Education. The~~
17 ~~board shall not authorize any other disbursement of the fund. Such~~
18 ~~disbursement shall be made as funds become available, and the~~
19 ~~requirement that the State Board of Education authorize such~~
20 ~~disbursement shall constitute an obligation of the fund.~~

21 The first priority for the disbursement of the School
22 Technology Fund is the direct connection of each kindergarten
23 through grade twelve public school district, affiliated school
24 system, or Class VI school system to a statewide public computer
25 information network. Subsequent priorities for disbursement may
26 include, but are not limited to, development of networking
27 capabilities within a district or system, the purchase or
28 installation of equipment, or other telecomputing needs as

1 ~~determined by the State Board of Education. Funds shall be awarded~~
2 ~~on the basis of need, ability to pay, and the number of buildings~~
3 ~~in each district or system designated by the State Board of~~
4 ~~Education as suitable for direct connection to a statewide public~~
5 ~~computer information network.~~

6 (2) The Legislature finds that the Nebraska Information
7 Technology Commission has identified three strategic technology
8 initiatives that will increase the potential for providing an
9 essential education to all students in school districts in this
10 state. The State Board of Education may authorize disbursement of
11 the fund to (a) develop a broadband, scalable telecommunications
12 infrastructure for use in distance learning classrooms, (b) develop
13 an Internet protocol-based network to connect all existing and
14 future distance learning and videoconferencing facilities, (c)
15 upgrade telecommunications equipment, and (d) provide training and
16 support programs for educators in the development and use of
17 distance learning. Funds shall be awarded on the basis of need as
18 designated by the board. The State Board of Education ~~shall~~ may
19 adopt and promulgate rules and regulations to carry out the
20 provisions of this section. The State Board of Education shall
21 consult with the Nebraska Information Technology Commission in
22 carrying out this section. ~~Any money in the School Technology Fund~~
23 ~~available for investment shall be invested by the state investment~~
24 ~~officer pursuant to the Nebraska Capital Expansion Act and the~~
25 ~~Nebraska State Funds Investment Act. Within thirty days after all~~
26 ~~obligations of the School Technology Fund have been disbursed, the~~
27 ~~Commissioner of Education shall so certify to the State Treasurer~~
28 ~~and the State Treasurer shall thereupon transfer any remaining~~

1 ~~balance to the General Fund. The School Technology Fund shall~~
2 ~~terminate upon such transfer.~~

3 (3) It is the intent of the Legislature to appropriate
4 ten million dollars annually to the School Technology Fund
5 beginning in FY2005-06.

6 Sec. 21. Original sections 79-728, 79-761, 79-809,
7 79-810, 79-8,136, 79-1101, 79-1103, 79-1142, 79-1144, and 79-1310,
8 Reissue Revised Statutes of Nebraska, and section 9-812, Revised
9 Statutes Supplement, 2004, are repealed.

10 Sec. 22. The following section is outright repealed:
11 Section 79-1328, Reissue Revised Statutes of Nebraska.